FISCAL NOTE SB 447 - HB 1648

March 12, 2001

SUMMARY OF BILL: Changes total and permanent loss of mental faculties from a scheduled member injury to a body as whole injury, thereby making it non-scheduled, which allows permanent total disability benefits to be awarded in appropriate cases. Makes such employee eligible for permanent total disability benefits to age 65.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Less than \$100,000/Claims Award Fund

Increase Local Govt. Expenditures - Exceeds \$100,000

According to the Department of Treasury based on the past five-year history of state workers' compensation claims, the state has not experienced any claims for permanent and total loss of mental faculties involving state employees. The estimate assumes the potential for future claims, however, the amount of increased state expenditures is estimated to be less than \$100,000. For information purposes, each claim would result in an additional increase in expenditures to the Claims Award Fund of approximately \$57,000.

The amount of increase in local government expenditures, resulting from claims filed by local governments, cannot be determined but is estimated to exceed \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

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